B.—GOLD MINING.

I.—Gold Production, Dividends and Royalty for the Calendar Year 1909.

The Nominal Capital of all the Companies carrying on operations in Mysore was:—

	£	s.	d.
in December 1909	2,226,000	0	0
and in December 1908	2,186,000	0	0
being an increase of ...	40,000	0	0

The amount of the above capital called and paid up was :—

	£	s.	d.
in December 1909	2,076,890	1	11
and in December 1908	2,050,733	0	0
being an increase of ...	26,157	1	11

The number of companies carrying on operations during the year was ten of which—

4 paid dividends,
3 produced gold, but paid no dividends, and
3 were non-producers.

In 1908 ten Companies also were at work, of which—

4 paid dividends,
3 produced gold, but paid no dividends, and
3 were non-producers.

The total value of bullion produced—

	£	s.	d.
during 1909 amounted to	2,092,177	5	1
and during 1908	2,055,857	3	5
being an increase of ...	36,320	1	8

or an increase of 1·77 per cent. as against an increase of 0·31 per cent. in 1908.

The total amount paid in dividends—

during 1909 was	636,181	12	0
and during 1908	582,487	12	8
being an increase of ...	53,693	19	4

which is an increase of 9·22 per cent. against a decrease of 11·75 per cent. in 1908.

The total dividends paid during the year amounted to 52·63 per cent. of the paid-up capital of the dividend paying Companies or to 30·63 per cent. of the paid-up capital of all the working Companies. The corresponding figures for 1908 were respectively 48·19 per cent. and 28·40 per cent.

The Royalty due to Government on the gold won—

during the year 1909 was	103,278	9	10
as against in 1908	101,693	17	5
being an increase of ...	1,584	12	5

the increase being 1·56 per cent. as against an increase of 0·12 per cent. in 1908.

II.—Total Gold Production, Dividends and Royalty from 1882 to the end of 1909.

The total value of gold bullion produced from the commencement of mining operations is—

	£	s.	d.
Up to the end of 1908	29,657,618	8	9
and for 1909	2,092,177	5	1
Grand Total ...	31,749,795	13	10

The total dividends paid—

Up to the end of 1908	12,418,469	9	8
and for 1909	636,181	12	0
Grand Total ...	13,054,651	1	8

The total amount of Royalty which has been paid to Government is :—

Up to the end of 1908	1,469,131	14	3
and for 1909	103,278	9	10
Grand Total ...	1,572,410	4	1

III.—Gold Production for the six months ending June 30th, 1910.

NAME OF MINE.		Fine Ozs.	£ Stg.	Fine Ozs.	£ Stg.
Mysore Mine ...	Mill ...	93,761	398,484·25		
	Cyanide ...	11,788	50,099·00		
	Total ...			105,549	448,583·25
Champion Reef Mine ...	Mill ...	39,677	168,627·25		
	Cyanide ...	11,634	49,444·50		
	Total ...			51,311	218,071·75
Ooregum Mine ...	Mill ...	37,244	158,287·00		
	Cyanide ...	5,435	23,098·75		
	Total ...			42,679	181,385·75
Nundydroog Mine ...	Mill ...	35,801	152,154·25		
	Cyanide ...	3,468	14,739·00		
	Total ...			39,269	166,893·25
Tank Block Mine ...	Mill ...	...	...		
	Cyanide ...	144	612·00		
	Total ...			144	612·00
Balaghat Mine ...	Mill ...	6,868	29,189·00		
	Cyanide ...	1,277	5,427·25		
	Total ...			8,145	34,616·25
	Gross Total ...			247,097	1,050,162·25

IV.—Progress Notes.

(*a*) Kolar District.

The position of affairs on the Kolar Gold Field remains very much the same as at the close of the previous year and does not call for much further comment. Perhaps the most significant advance is connected with the treatment of the mill tailings, which has hitherto been of a somewhat unique character, and involved the stacking and weathering of the tailings before putting them through the cyanide treatment. Experiments have been in progress for some time on a practical scale at the Champion Reef Mine, with a view to securing a cleaner and better separation of sands and slimes by means of conical hydraulic separators, and it is believed that these will prove both economical and successful. The experimental plant separates the tailings from 50 head of stamps into coarse clean sand, a clean intermediate product of finer texture and an overflow containing the slimes. Of these three products, the coarse sand will be put through tube mills and again separated, the intermediate product which represents the bulk of the tailings will go direct to the cyanide vats, the slimes will go direct to a cyanide treatment and thence to filter-presses or some form of filter-leaf plant. I understand that the experiments have been sufficiently successful to warrant the installation of a complete plant, and it is probable that a few years will see the Kolar Gold Field equipped with tube mills and slime filters and the tailings and slimes being treated as they come from the mills, instead of after a lapse of some months which is at present occupied in the weathering process hitherto considered to be absolutely indispensable.

In connection with the question of air-blasts, which was referred to at length in last year's report, it is interesting to note that the Mining Companies on the Kolar Gold Field have now decided to provide some seismographs with a view of obtaining records of the shocks. A special observatory will be erected for this purpose, the design of which is in the hands of Mr. H. M. A. Cooke, Superintendent of the Balaghat Mine. Several instruments have already been ordered and will probably be erected and ready for use within the next twelve months.

(*b*) Shimoga and Kadur Districts.

In the Shimoga District, work has been carried on at the Jalagargundi Block by the New Shimoga Gold Fields, Ltd. ; a couple of shallow winzes have been sunk on the ore body from the 200 feet level and have disclosed ore of fair grade. On the whole, work has been very much hampered by influxes of water and by the fact that the whole of the work has to be carried on from a single small shaft, and progress has consequently been very slow. If a further advance is to be made, a second and somewhat larger shaft will be necessary.

At the Siddarhalli Block, under the management of the same Company, the adit, which was referred to last year as being driven south towards the position of the old working, has now reached the lode, and drives, east and west, have been opened up for a couple of hundred feet. The lode matter is a banded and crumpled mixture of chlorite and quartz schist carrying a good deal of pyrites and in places a considerable amount of graphite. Numerous assays running from 5 dwts. to 1 oz. have been obtained over a width of several feet and the prospects of opening up a considerable body of ore are encouraging.

At the Honnegudda Block, prospecting operations were continued up to February 1910, chiefly by trenches and some small pits in these trenches. Nothing was revealed giving definite results, but lode matter was met with in some places as much as 4 feet wide, averaging 4 dwts.

Work was suspended early in June 1909 on the Teak Plantation Block during the monsoon. It was intended to resume later, but operations have since been confined to other blocks.

V.—Electric Power Supply.

(*a*) Cauvery Power Scheme.

The supply of Cauvery Power was not interrupted during the year on account of scarcity of water; at the 30th June 1910, there were 65 Motors, aggregating 8,045 H. P., connected to the supply.

(*b*) Kolar Mines Power Station

The following figures have been kindly furnished by Mr. F. M. Nicholl, Chief Engineer:—

42 Motors were connected to the distribution system of this station at the 30th June, aggregating 988 H. P., driving intermittent loads, and 6 Motors, aggregating 2,100 H. P. Operating Winding Engines or Hoists, giving a total of 48 Motors for all purposes aggregating 3,088 H. P.

The percentage increase in horse power over the preceding twelve months was 13·6 %; hoisting power having increased by 20·8 %, whereas, intermittent power only by ·51 %.

The lighting load on the station remained practically stationary during the year, for although lamps were installed in new situations, metal filament lamps were used on a number of other circuits, the decreased current consumption of the latter equalising the total load.

The following were the numbers of the Board of Trade Units sold for various purposes:—

Intermittent Power.	Hoisting.	Lighting.
1,490,378	1,052,820	620,129.

Total Units sold = 3,163,327.

The amount of power sold during the twelve months under review was 18 % greater than the amount sold in the preceding year.

The present rates charged for the supply of current are as follows:—

Intermittent and Hoisting = 1¼d. per Unit.
Lighting = 2¾d. per Unit.

The average price charged for all classes of supply during the year was 1·594d. per unit.